



Arizona State Retirement System

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Fact Sheet

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RETURN TO WORK

Returning to Work (RTW) After Retirement

Arizona statute and federal age discrimination laws require the ASRS to treat rehired annuitants under the same membership rules as any new employee. The member status of a retired member returning to work with an ASRS employer shall be determined according to the same criteria applied to any employee of the employer.

Member Who Retires at Normal Retirement

Normal Retirement: Member retires at age 65, or at age 62 with at least 10 years of service, or at 80 points.

1. The member may return to work the day after retirement and work less than 20 hours a week for any length of time and remain eligible to continue to receive pension benefits.
2. The member may return to work the day after retirement and work 20 hours or more a week for 19 weeks in any fiscal year and continue to receive their pension benefit. After the 19th week, they may work no more than 19.5 hours per week for the remainder of that fiscal year and remain eligible to continue to receive pension benefits. If the member continues working 20 hours or more per week, the member will resume active membership, the ASRS will suspend the member's pension benefit and the member's employer will withhold retirement contributions from the member's wages. The member will have to repay the ASRS for any pension payments and health insurance premium benefit payments they received while working 20 or more hours per week starting with the 20th week.

EXAMPLE:

- A. The member retires June 30 of a given fiscal year. The member returns to work July 1. The member may work for 19 weeks full time and then reduce their hours to 19.5 hours a week for the remainder of the fiscal year.
 - B. The member terminates work October 15 and retires October 16. The member has already worked 15 weeks full time. This leave 4 weeks after retiring that the member could work full time. After working the 4 weeks the member must reduce their hours to 19.5 hours a week for the remainder of the year.
3. A member who has been retired for 12 months (not meeting conditions for ASRS membership) may return to work or continue to work any amount of time and continue to receive pension benefits. Such a member must acknowledge the conditions of their work and notify the ASRS and their employer in writing of their intent to work and not have retirement contributions withheld from their pay and not to accrue additional credited service or LTD benefits.

At any time, rehired annuitants can suspend their retirement benefit and resume active member status. While the member remains in active status, the member will earn additional credited service and can re-retire with a higher benefit after working more than 20 weeks.

Member Who Retires at Early Retirement

A member who elected to receive retirement benefits before normal retirement (with a reduced benefit at early retirement) must have terminated employment and may return to employment with an ASRS employer ***no earlier than 60 calendar days*** after the date of termination of employment. Early retirement members may return to work under the following circumstances:

1. After 60 calendar days, the member may return to work for less than 20 hours per week for any length of time and remain eligible to continue to receive pension benefits.
2. The member may work 20 hours or more per week for 19 weeks in any fiscal year, and, starting the 20th week, may work no more than 19.5 hours per week for the remainder of that fiscal year and remain eligible to continue to receive pension benefits.

Example:

- A. The member retires June 30 of a given fiscal year. The member returns to work 60 days later, September 1. The member may work for 19 weeks full time (20 or more hours a week) and then reduce their hours to 19.5 hours a week for the remainder of the fiscal year.
 - B. The member terminates work September 30 and retires October 1. The member may return to work January 1. Because the member has already worked 13 weeks full time, he or she is only allowed to work 6 weeks full time as a retiree for the remainder of the fiscal year. After working the 6 weeks full time the member must reduce their hours to 19.5 hours a week for the remainder of the year.
3. A member who has been retired for 12 months (not meeting conditions for ASRS active membership) upon reaching normal retirement may return to work for any amount of time and continue to receive pension benefits. Such a member must acknowledge the conditions of their work and notify the ASRS and their employer in writing of their intent to work and not have retirement contributions withheld from their wages and not to accrue additional credited service or LTD benefits.
 4. At any time, rehired annuitants can suspend their retirement benefit and resume active member status. While the member remains in active status, the member will earn additional credited service and can re-retire with a higher benefit after working more than 20 weeks.

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